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UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548



CIVIL DIVISION

B-164031(1)

APR 22 1971

Dear Mr. Secretary:

1 We made a review of the policies and procedures of the Office of Education in administering contracts awarded for the purpose of studying or evaluating educational programs. During our review, we acquired 55
2 information on a contract awarded to the Consortium of Professional Associations for Study of Special Teacher Improvement Programs (CONPASS) D.1972 that we believe should be brought to your attention. We found that some of the basic management functions of the Office of Education that are essential to an effective administration of the contract were delegated to CONPASS under the contract. This matter is discussed below. Other findings resulting from our review will be reported upon separately.

CREATION OF CONPASS

Since the enactment of the National Defense Education Act of 1958, the Office of Education, through its institute program, has supported institutions of higher education to strengthen instructional services.

The institute program is one of a variety of federally supported special programs designed to improve instruction in American educational institutions. Under this program, colleges and universities, through Federal support, provide advanced study for short terms or in regular sessions for persons concerned with the teaching of modern foreign languages, English, history, geography, reading, economics, civics, humanities, the arts, and the industrial arts. Institutes may also be conducted to improve the competencies of persons who use educational media, of teachers of disadvantaged or handicapped children, and of counseling and guidance officers.

We were informed by the Director of the Division of College Programs, Office of Education, that during 1963 and 1964 many of the universities which operated the institutes contracted for evaluations of their particular programs and, because of the wide variety of programs, funded a large number of evaluations. The Director stated that, in an effort to consolidate evaluations and have them cover a number of educational disciplines, he had conceived of a consortium of organizations from the various disciplines to undertake, as a single body, the evaluations desired by the universities. He stated also that the consortium was

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designed to encourage communication between the various disciplines by providing a means for persons from these disciplines to begin talking with each other.

A conference of representatives from five educational associations and the Office of Education was held in January 1966 to present profile reports on the educational disciplines of each association. The meeting confirmed that, although institute programs differed strikingly among disciplines and radically between subject matter areas, the kinds of information and ideas sought in the evaluation of programs were very similar and often identical. It was felt that the piecemeal approach to program evaluation had resulted in duplication of effort and costs. A cooperative program under a coordinating body outside the Office of Education was proposed to develop a unified "strategic assessment" of institute programs.

During additional meetings in February and May 1966, association representatives developed a framework of a consortium of the five associations to assess institute activities and the Office of Education institute program generally. The Association of American Geographers was selected to administer the consortium, and the organizational name was formalized as the Consortium of Professional Associations for Study of Special Teacher Improvement Programs. The acronym adopted for this organization was CONPASS.

ORGANIZATION

CONPASS consists of a central office, an executive committee, and a governing board. The central office has three members--a director, a program associate, and a staff assistant. As of September 1970 the executive committee had seven members selected from member associations. The board consisted of 30 members selected from member associations as well as from other educational organizations. As of September 1970 there were 13 member associations.

The central office arranges periodic meetings of the executive committee as well as meetings of the entire board. The office is also responsible for the initiation of new projects and for the publication and dissemination of final study reports. The board's responsibilities include directing the various activities of CONPASS; reviewing and editing study reports; and developing dialogue among the member associations, Government agencies, and educational institutions.

COST OF CONPASS PROGRAM

The contract with CONPASS has been amended seven times since it was awarded on May 3, 1966. The total estimated cost has increased from the

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initial \$287,100 to \$777,824. This amount, however, represents only that part of funds COMPASS received directly from the Office of Education. COMPASS also received \$465,700 indirectly from the Office of Education through various contracts with universities and colleges. Thus, as of March 24, 1971, COMPASS had received, directly and indirectly from the Office of Education, a total of \$1,243,524.

COMPASS has submitted a \$2.75 million proposal for continued funding covering the 3-year period January 1, 1971, through December 31, 1973. As of March 1, 1971, this proposal was pending Office of Education action.

BASIC MANAGEMENT FUNCTIONS DELEGATED TO COMPASS

We believe that some of the basic management functions of the Office of Education that are essential to an effective administration of the contract were delegated to COMPASS under the contract. Office of Education officials advised us that a "hands off" policy was adopted with respect to the contract. The director of COMPASS informed us that the Office of Education had given little, if any, direction or guidance on COMPASS projects.

Contract terms

COMPASS was initially funded on the basis of a proposal submitted by COMPASS to the Office of Education on May 3, 1966. The Director of the Division of College Programs informed us that he had solicited the proposal verbally and that, although no formal evaluation was made, he and another official had reviewed the proposal and found it acceptable.

The original COMPASS proposal delineated the duties of the COMPASS board as follows:

1. Develop the policy for, and the details of, a continuing study and assessment plan for the institutes.
2. Invite study projects from constituent associations and from other organizations and persons.
3. Review and approve or reject such study projects.
4. Commission acceptable work plans and take steps to request funds from the Office of Education or other sources to implement the study projects approved.
5. Monitor commissioned projects and review and approve project reports.

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6. Prepare a final report on each commissioned project for submission to the Office of Education or other funding agency.

As shown by the above, CONPASS was given considerable responsibility for determining what evaluations were to be conducted as well as for supervising the conduct of such studies. The Associate Commissioner, Bureau of Education Personnel Development, informed us that the Office of Education had abided by CONPASS decisions on projects unless there were funding constraints.

Role of CONPASS

A number of studies have been undertaken under the direction of CONPASS since its establishment. According to Office of Education officials, CONPASS conducted none of these studies but instead entered into subcontracts with colleges, universities, and private organizations for the studies.

It appears that the delegation of authority to CONPASS for making decisions on what studies would be undertaken or continued was, at least in one case, not in the best interest of the Office of Education. In this case, an evaluation of the Office of Education's Experienced Teacher Fellowship Program, consisting of a number of individual studies and costing about \$192,000, was permitted to continue even though the Associate Commissioner of the Bureau of Educational Personnel Development and another Office of Education official were against further funding because the program under evaluation was being phased out. Approximately \$45,000 of the \$192,000 was spent after the Office of Education recommended termination of the contract.

The stated objective of the Experienced Teacher Fellowship Program was to reduce the shortage of teachers and improve the quality of instruction. To meet this objective, fellowships were awarded for full-time graduate study leading to advanced degrees to persons who planned to pursue careers in elementary and secondary education or postsecondary vocational education.

The study of the effectiveness of this program under the direction of CONPASS was initiated in fiscal year 1967 and was still being funded in fiscal year 1970. The Assistant Director, Division of College Programs, Office of Education, informed us that the Experienced Teacher Fellowship Program was, in effect, discontinued sometime in 1968 and that the Office of Education was against funding the uncompleted part of the study. In a memorandum dated January 29, 1970, to the Director of CONPASS, the Chief of the Trainers of Teacher Trainers Branch, Office of Education, stated:

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"Because the Experienced Teacher Fellowship Program has terminated and funds for evaluation of on-going Bureau programs are very limited, we do not believe that we should attempt to provide additional funds for the*** evaluation study."

In another memorandum, dated March 27, 1970, this same official stated that the COMPASS board had made the decision to complete the study at a cost of about \$45,000 even though he had recommended that it be terminated.

When we asked why the Office of Education had funded the last phase of the study, the Associate Commissioner, Bureau of Educational Personnel Development, informed us that the COMPASS board had the authority, under the contract terms, to make the decision and that the Office of Education legally had to abide by that decision.

Hands-off policy

Office of Management and Budget Circular No. A-76, as revised, directs that executive agencies perform for themselves those basic functions of management necessary to retain essential control over the conduct of their programs. These basic functions include assignment of organizational responsibilities, planning of programs, establishment of performance goals and priorities, and evaluation of performance.

Although an official of the Office of Management and Budget informed us that there was a "gray" area with regard to what constituted basic management functions, we believe that some of basic management functions of the Office of Education were delegated to COMPASS under the contract. As a result, the Office of Education was unable to exercise the direction and control over COMPASS that was required for effective contract administration.

According to a Department of Health, Education, and Welfare administrative manual, the Department must exercise considerable direction and control over the manner in which a contractor conducts its work. However, the Office of Education, according to the director of COMPASS, gave little, if any, direction or guidance on COMPASS projects. Office of Education officials stated that a general hands-off policy had been adopted by the Office of Education with regard to the contract. One official stated that he believed that the hands-off policy developed primarily because COMPASS members had been accustomed to operating independently and that the Office of Education was concerned that the primary objective of the contracts--communication--would be thwarted if too much direction were given.

We did note that an Office of Education official sometimes sat in on COMPASS board meetings. According to the Director of the Division of

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College Programs, however, the Office of Education had no voting rights at board meetings--just persuasive power.

AGENCY OFFICIALS' COMMENTS AND OUR VIEWS THEREON

We inquired as to the contribution made by CONPASS to the evaluations. The Associate Commissioner, Bureau of Educational Personnel Development, told us that CONPASS had not provided any particular expertise in evaluations but had brought together the member associations to discuss teacher training and education. Furthermore, he stated that CONPASS was being phased out of its evaluation function and that he wished to use CONPASS as a vehicle for getting member associations involved in teacher education.

Examination of the CONPASS proposal for continued funding emphasizes the major shift in its operations from evaluation to teacher education, as indicated by the Associate Commissioner. The proposal states that CONPASS will utilize professional associations to do the work required in the new area of emphasis. By concentrating on these associations, CONPASS hopes to strengthen the training of teachers at all levels.

CONCLUSION

Although the management functions which CONPASS would perform under the \$2.75 million proposal are not clearly stated, the proposal is written in such a way that the relationship between CONPASS and the Office of Education could remain essentially the same, i.e., CONPASS would continue to determine, without prior approval by the Office of Education, what activities are to be carried out under the contract.

We believe that, for effective contract administration, the basic management functions needed to control a contractor's activities should be retained by the contracting agency.

RECOMMENDATION TO THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE

We recommend that, if the contract with CONPASS is continued, the Office of Education should provide for the retention of the basic management functions it needs to effectively direct and control CONPASS activities.

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Your attention is invited to section 236 of the Legislative Reorganization Act of 1970 which requires that you submit written statements of

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the action taken with respect to the recommendation. The statements are to be sent to the House and Senate Committees on Government Operations not later than 60 days after the date of this report and to the House and Senate Committees on Appropriations in connection with the first request for appropriations submitted by your agency more than 60 days after the date of this report.

We acknowledge the courtesy and cooperation extended to our staff during the review. Your comments as to the action taken on the matters discussed will be appreciated.

copy Copies of this report are being sent today to the Chairmen, House and Senate Committees on Government Operations; the Chairmen, House and Senate Committees on Appropriations; and the Commissioner, Office of Education. *<150*
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Sincerely yours,

AT Samuelson
Director, Civil Division

The Honorable
The Secretary of Health,
Education, and Welfare